UNITED STATES DISTRICT COURT EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

MINERVA INDUSTRIES, INC.,

V.

Civil Action No: 2-07 CV-229

Plaintiff,

The Honorable T. John Ward

United States District Judge

MOTOROLA, INC., et al.

Defendants.

AND RELATED COUNTERCLAIMS.

MINERVA INDUSTRIES, INC.'S REPLY

TO UTSTARCOM, INC.'S AMENDED COUNTERCLAIMS

Plaintiff Minerva Industries, Inc. files this Reply to UTStarcom, Inc.'s Amended Counterclaims and alleges as follows:

- 1. Plaintiff Minerva Industries, Inc. ("Minerva") admits the allegations in paragraph 1 of UTStarcom, Inc.'s ("UTStarcom") Counterclaims ("Counterclaims").
 - 2. Minerva admits the allegations in paragraph 2 of the Counterclaims.
 - 3. Minerva admits the allegations in paragraph 3 of the Counterclaims.
 - 4. Minerva admits the allegations in paragraph 4 of the Counterclaims.

FIRST CLAIM FOR RELIEF

(Declaratory Relief as to the '120 Patent)

- 5. Minerva denies the allegations in paragraph 5 of the Counterclaims.
- 6. Minerva denies the allegations in paragraph 6 of the Counterclaims.
- 7. Minerva denies that it filed U.S. Patent Application Serial No. 08/846,108 on August 25, 1997. Minerva otherwise admits the allegations in paragraph 7 of the Counterclaims.
- 8. To the extent the allegation that Minerva's foreign filings "constituted a violation of 35 U.S.C. § 184" is other than a legal conclusion (which would require no response), Minerva

denies these allegations. Minerva otherwise admits the allegations in paragraph 8 of the Counterclaims.

- 9. The allegations contained in this paragraph 9 are legal conclusions that do not require a response.
- 10. The allegations contained in this paragraph 10 are legal conclusions that do not require a response.
 - 11. Minerva admits the allegations in paragraph 11 of the Counterclaims.
- 12. The allegations contained in this paragraph 12 are legal conclusions that do not require a response.
 - 13. Minerva admits the allegations in paragraph 13 of the Counterclaims.
 - 14. Minerva admits the allegations in paragraph 14 of the Counterclaims.
- 15. Minerva denies that it filed U.S. Patent Application Serial No. 09/537,356. Minerva otherwise admits the allegations in paragraph 15 of the Counterclaims.
- 16. To the extent the allegation that Minerva's foreign filings "constituted a violation of 35 U.S.C. § 184" is other than a legal conclusion (which would require no response), Minerva denies these allegations. Minerva otherwise admits the allegations in paragraph 16 of the Counterclaims.
 - 17. Minerva admits the allegations in paragraph 17 of the Counterclaims.
 - 18. Minerva admits the allegations in paragraph 18 of the Counterclaims.
 - 19. Minerva admits the allegations in paragraph 19 of the Counterclaims.
 - 20. Minerva denies the allegations in paragraph 20 of the Counterclaims.
- 21. To the extent the allegations in paragraph 21 of the Counterclaims are other than legal conclusions (which would require no response), Minerva denies these allegations.
- 22. To the extent the allegations in paragraph 22 of the Counterclaims are other than legal conclusions (which would require no response), Minerva denies these allegations.
 - 23. Minerva denies the allegations in paragraph 23 of the Counterclaims.
 - 24. Minerva denies the allegations in paragraph 24 of the Counterclaims.

- 25. To the extent the allegations in paragraph 25 of the Counterclaims are other than legal conclusions (which would require no response), Minerva denies these allegations.
 - 26. Minerva denies the allegations in paragraph 26 of the Counterclaims.

PRAYER FOR RELIEF

Minerva denies that UTStarcom is entitled to any relief requested in the Prayer for Relief in its Counterclaims, or any other relief whatsoever.

Dated: February 14, 2008

By: /s/ Marc A. Fenster

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3) on February 14, 2008. Any other counsel of record will be served via First Class U.S. Mail on this same date.

By: /s/ Marc A. Fenster